

**HIGH COURT OF JUDICATURE FOR RAJASTHAN AT
JODHPUR**

S.B. Civil Writ Petition No. 9471/2026

M/s. Pinnacle India Private Limited, Having Its Registered Office At 3Rd Floor, Flat No. 302, Rampadarath Enclave, Ram Govind Path, Kankerbagh, Patna, Bihar, 800020 Through Its Authorized Signatory Sh. Vinay Harjai, S/o Revati Raman Harjai, Age About 37 Years And Resident Of House No. K-14, Post Office Lane, Near Post Office, Hakikat Nagar, Saharanpur, Uttar Pradesh 247001.

-----Petitioner

Versus

1. Trishul Industries, Through Authorized Representative Having Its Registered Office At F-398, Trishul Industries, Basni Phase II, Jodhpur, Rajasthan.
2. Rajasthan Micro And Small Enterprise, Facilitation Council, Jodhpur Division Through Its Chairman.

-----Respondents

For Petitioner(s)	:	Mr. Akshat Verma assisted by Mr. Chirag Mathur.
For Respondent(s)	:	

HON'BLE MR. JUSTICE MUKESH RAJPUROHIT

Order

05/05/2026

It is contended by learned counsel for the petitioner that vide the impugned order a direction to pay principal claim with interest at three times of bank rate has been issued against the petitioner in an arbitrary manner, which is contrary to the law laid down by the Hon'ble Apex Court in *Jharkhand Urja Vikas Nigam Limited vs. State of Rajasthan & Ors.* The relevant observations in paragraph No. 14 of the said judgment reads as follows:

“14. From a reading of Sections 18(2) and 18(3) of the MSMED Act it is clear that the Council is obliged to conduct conciliation for which the provisions of Sections 65 to 81 of the Arbitration and Conciliation

Act, 1996 would apply, as if the conciliation was initiated under Part III of the said Act. Under Section 18(3), when conciliation fails and stands terminated, the dispute between the parties can be resolved by arbitration. The Council is empowered either to take up arbitration on its own or to refer the arbitration proceedings to any institution as specified in the said section. It is open to the Council to arbitrate and pass an award, after following the procedure under the relevant provisions of the Arbitration and Conciliation Act, 1996, particularly Sections 20, 23, 24 and 25.”

As per the aforesaid judgment, after valid termination of the conciliation proceedings, arbitral proceedings are required to be undertaken and the award can be passed only thereafter.

Matter requires consideration.

Issue notice, returnable within six weeks.

In the meanwhile and till the next date of hearing, the effect and operation of the order dated 02.04.2026 (Annex.26) passed by respondent No. 2, shall remain stayed.

(MUKESH RAJPUROHIT),J